Ref: B1/15C
G16/1C

18 April 2011

The Chief Executive
All Authorized Institutions

Dear Sir/ Madam,

Important Facts Statement (IFS) for Currency-Linked Instruments and Interest Rate-Linked Instruments Issued by Authorized Institutions (AIs) ("ILCL instruments")[1]

I am writing to introduce a new investor protection measure that requires AIs to produce an IFS for ILCL instruments, to enhance product disclosure to retail customers[2] purchasing such instruments.

ILCL instruments are popular investment products with retail customers. These products are exempted from the authorization requirements under the Securities and Futures Ordinance (SFO), and the Code on Unlisted Structured Investment Products (SIP Code) issued by the Securities and Futures Commission (SFC) is not applicable as ILCL instruments are not regarded as "structured investment products" for the purposes of the SIP Code. Nevertheless, as stipulated in the HKMA's circular of 13 July 2009 "Selling of Investment Products", for marketing materials of non-SFO regulated investment products including ILCL instruments, AIs should follow standards similar to those issued by the SFC on marketing materials.

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1 For the purpose of this circular, ILCL instruments refer to currency-linked and interest rate-linked structured investment products whose return is linked to the exchange rates of currency(ies) and interest rate movements, respectively. These products may take different forms, e.g. structured deposits, structured notes, etc.

2 Following the Hong Kong Monetary Authority (HKMA) circular of 20 May 2010, "retail customers" exclude corporate customers, sole proprietors, partnerships and private banking customers. An AI should classify an individual as a "private banking customer" only if he/she maintains a personalized relationship with the AI, receives personalized banking services or a portfolio management services from the AI, and has assets under the AI's management (AUM) of at least US$ 1 million. The HKMA expects private banks to observe the AUM threshold requirement on a reasonable basis. A holistic and pragmatic approach should be adopted. In essence, one should look at the real substance of the banking relationship and service. As long as there is no material deviation, it is considered reasonable to allow exemption from the IFS requirement for clients with AUM that is occasionally below the US$1 million threshold due to market movements or other practical justifications.

In addition, the SFC's new Product Key Facts Statement (KFS) measure requires issuers of publicly offered unlisted structured investment products to provide concise product summaries written in plain language to help investors understand the key features and risks of the products. The HKMA considers that for better protection of retail investors, AIs should apply these same principles and produce IFS to enhance product disclosure for ILCL instruments for retail distribution.

After consultation with the banking industry, the HKMA has developed IFS templates for ILCL instruments to facilitate more standardised disclosure across AIs. The templates have adopted the SFC's principles for KFS and, to the extent applicable and appropriate, made reference to the SFC's illustrative template for KFS in respect of unlisted structured investment products. The IFS templates for currency-linked instruments and interest rate-linked instruments are enclosed as **Annex 1** and **Annex 2**, respectively. The details of the IFS requirements are set out below.

IFS is required for ILCL instruments distributed to retail customers. The IFS may form part of the product brochure or marketing materials for distribution to retail customers and need not be a standalone document. Where an ILCL instrument is issued without an IFS, the AI should not sell the ILCL instrument to retail customers, and should ensure that its distributing agents will not sell such instrument to retail customers. Similarly, where an AI acts as a distributing agent for an ILCL instrument issued without an IFS, the distributing AI should not distribute such an instrument to retail customers.

AIs should offer to provide IFS to a retail customer in relation to every relevant transaction, unless the customer declines the IFS in which case a proper audit trail of this should be maintained. This requirement is applicable to transactions conducted through branches and non-branch channels. For transactions through non-branch channels, AIs should provide IFS via fax, email, post, Internet or other proper means.

Preparation of IFS

AIs should adopt the templates set out in the Annexes when preparing the IFS. When preparing the actual IFS for specific ILCL instruments, **AIs are reminded to follow the guidance notes stated in the templates as well as the principles below**:

- the IFS must be specific enough to bring out the key features, risks and investment objective of the product in a clear and concise manner;

- the IFS should be accurate and not contain any false or misleading information;

- the IFS should contain information that enables investors to comprehend the key features and risks of the product; and

- the IFS should be produced in both Chinese and English languages, and AIs should provide the IFS in accordance with the language preference of each relevant retail customer.

The IFS templates cover the key facts and risks (including the health warning statement) that should be disclosed pursuant to the HKMA's circular of 13 July 2009. Therefore, where an IFS is provided to the customer, it is not necessary for the AI to attach a separate health warning statement to the product document.

Implementation date

AIs should put in place control procedures and measures to ensure that the requirements in this circular are properly implemented. Taking into account the preparatory work to be carried out by AIs, the HKMA expects that the IFS arrangements should be implemented by all AIs **not later than 4 June 2011**. AIs are required to comply with the IFS requirement for all ILCL instruments which will be offered to retail customers on or after 4 June 2011, regardless of the date of issue or product launch.

If you have any questions on this letter, please contact Ms Alice Lee at 2878-1603 or Ms Florence To at 2878-1582.

Yours faithfully,

Meena Datwani
Executive Director (Banking Conduct)

Encl. Annex 1 - standardized template for currency-linked instruments
Annex 2 - standardized template for interest rate-linked instruments

c.c. Securities and Futures Commission (Attn: Mr Stephen Po, Senior Director of Intermediaries Supervision and Ms Alice Law, Senior Director of Policy, China & Investment Products)

Important Facts

[*Issuer/Bank's name & logo*]
[Issuer/Bank][1]

[*Product name & type*]
[*Date*]

This is a structured investment product[2] which is NOT protected by the Deposit Protection Scheme in Hong Kong.

[This product is NOT principal protected.][3]

The contents of this statement have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution before investing in this product. **This statement is a part of the offering documents for this product. You should not invest in this product based on this statement alone.** If you are in any doubt, you should obtain independent professional advice.

If English is not your preferred language, you may request for the Chinese version of this statement from our [sales staff]. 倘若英文並非閣下屬意的語言，閣下可向本行的**[**銷售人員**]**索取本概要的中文版本。

This is a structured investment product involving derivatives. The investment decision is yours but you should not invest in this product unless the intermediary who sells it to you has explained to you that the product is suitable for you having regard to your financial situation, investment experience and investment objectives.

Quick facts

[Issuer/Bank]:	[*Name*], [*insert branch*]
Product type:	**Currency-linked** [*instrument type, e.g.deposit*]
Minimum [deposit/investment]:	[HKD][●] (or its equivalent)
Tenor:	[●] – [●]
[Available] [P/p]rincipal currency:	[●]
[Available] [L/l]inked currency:	[●]
[Coupon rate:	[●]% per annum (Actual coupon rate: [●])]
[Coupon period/ payment date:	[●]]
Principal protection at maturity:	[Yes/No]
Callable by the [Issuer/Bank]:	[Yes/No] [*If yes, when earliest*]
Early termination right by the customer:	[Yes/No] [*If yes, under what situations*]
Embedded derivatives:	[Yes/No] [*If yes, insert the type of embedded derivatives e.g. customer selling a put option over the linked currency*]
Maximum potential gain:	[●]% [of deposit/investment amount]
Maximum potential loss:	[●]% [of deposit/investment amount]

What is this product and how does it work?

[*Briefly describe the nature of the product (e.g. This is a structured investment product that consists of a time deposit (in the principal currency) and selling a put option on a linked currency of your choice) and how it works, in particular the situations under which investors will make gains/incur losses (with reference to the scenario analysis below)*]

[1] [*'Bank' to be used for deposits*]
[2] Currency-linked instruments are not "structured investment products" for the purposes of the Code of Unlisted Structured Investment Products (SIP Code) of the Securities and Futures Commission (SFC) and the SIP Code does not apply to currency-linked instruments.
[3] *[Applicable if the product is non-principal protected]*

What are the key risks?

[*Describe the key risks of the product. The following should be covered as a minimum if applicable*:

- **Not a time deposit** – [*Product name*] is NOT equivalent to, nor should it be treated as a substitute for, time deposit. It is NOT a protected deposit and is NOT protected by the Deposit Protection Scheme in Hong Kong.
- **Derivatives risk** – [*Please elaborate as appropriate, e.g. [Product name] is embedded with FX option(s). Option transactions involve risks, especially when selling an option. Although the premium received from selling an option is fixed, you may sustain a loss well in excess of such premium amount, and your loss could be substantial.*]
- **Limited potential gain** – The maximum potential gain is limited to [●].
- **[Maximum potential loss** – **[*Product name*] is not principal protected: you could lose all of your [deposit/investment] amount**. [*Otherwise please explain the worst case scenario*]**]**[3]
- **[Principal protection at maturity only** – The principal protection feature is only applicable if this product is held to maturity. [*Please explain the circumstances whereby there is no principal protection, e.g. if this product is early terminated*]**]**[4]
- **Not the same as buying the linked currency –** Investing in [*product name*] is not the same as buying the linked currency directly. [*Please elaborate as appropriate*]
- **Market risk** – [*Please elaborate as appropriate, e.g. The return of [product name] is linked to the exchange rates of the principal currency against the linked currency. Movements in exchange rates can be unpredictable, sudden and drastic, and affected by complex political and economic factors.*]
- **Liquidity risk** – [*Product name*] is designed to be held till maturity. [The [Issuer/Bank] may at its absolute discretion refuse to consent to any withdrawal request before maturity/ You do not have a right to request early termination of this product before maturity.]
- **Credit risk of the [Issuer/Bank]** – [[*Product name*] is not secured by any collateral.] When you invest in this product, you will be relying on the [Issuer/ Bank]'s creditworthiness. If the [Issuer/ Bank] becomes insolvent or defaults on its obligations under this product, [you can only claim as an unsecured creditor of the [Issuer/Bank].] In the worst case, you could suffer a total loss of your [deposit/investment] amount.
- **Currency risk** – [*Please elaborate as appropriate, e.g. If the principal currency and/or linked currency is not in your home currency, and you choose to convert it back to your home currency upon maturity, you may make a gain or loss due to exchange rate fluctuations.*]
- [*Please specify any risk for early termination:* [*For example*: **Risks of early termination by the [Issuer/ Bank]** – the [Issuer/Bank] has the right (but not the obligation) to terminate this product early upon occurrence of certain events. If this product is terminated by the Bank early, you may suffer a substantial loss under this product. [See "Can the [Issuer/ Bank] adjust the terms or early terminate this product?" below]]]
- [*Please specify any risks in relation to principal/ linked currency(ies) which is/are restricted currency(ies). In particular, if the principal/ linked currency is RMB, please specify any RMB-related risks in accordance with the HKMA circular dated 16 September 2010:* [*For example:* **Risks relating to RMB** - You should note that the value of RMB against other foreign currencies fluctuates and will be affected by, amongst other things, the PRC government's control (for example, the PRC government regulates conversion between RMB and foreign currencies), which may adversely affect your return under this product when you convert RMB into your home currency. RMB is currently not freely convertible and conversion of RMB in Hong Kong is subject to certain restrictions. In particular, the conversion of RMB by an individual customer is subject to a daily limit. If you intend to convert an amount of RMB from/to another currency exceeding such daily limit, you should allow sufficient period for the conversion.]]]

What are the key features?

[*Describe the features of the product (e.g. call feature, embedded options, tenor range, currency choice, whether early termination is allowed (describe how this works)), interest/ coupons (how and*

[4] *[Applicable if the product is principal protected]*

when it will be determined and the conditions for this to be achieved)]

Scenario analysis

[*A default scenario, worst case scenario, middle-of-the road/ gain scenario and best case scenario (for a product with a capped potential return)* ***[Note: Only a gain scenario (rather than the best case scenario) can be shown if the potential return of the product is unlimited]*** *should be covered. Use of example to illustrate the scenarios is encouraged*]

Scenario [x]: Best case scenario
[insert illustration]

Scenario [x]: Middle-of-the road/ gain scenario
[insert illustration]

Scenario [x]: Worst case scenario
[insert illustration]

Scenario [x]: The [Issuer/ Bank] becomes insolvent or defaults on its obligations

Assuming that the [Issuer/Bank] becomes insolvent during the tenor of this product or defaults on its obligations under this product, you can only claim as its unsecured creditor. You may get nothing back and suffer a total loss of your [deposit/investment] amount.

How can you buy this product?

- [You can purchase this product by visiting any of our branches, internet banking, or by calling us on [*insert phone no*].]
- [Choose the principal currency, the linked currency and the tenor. We will then quote the interest rate and conversion rate, which are fixed when you place an order for this product.]

Fees and charges

[*This section is only applicable if there are explicit fees and charges associated with this product*]

Can you request for early termination before maturity?

[*This section is only applicable if early termination by customer is allowed - describe the frequency and how the investor can obtain the indicative termination price and the arrangement on early termination. It should be stated clearly that the indicative price quoted by the Issuer/Bank is not binding and may not reflect the final termination price*]

[The final termination price offered by the [Issuer/Bank] may be substantially less than your [deposit/investment] amount.]

Pre-Investment Cooling-off Period for retail customers

Pre-Investment Cooling-off Period (**PICOP**) is applicable to each particular dealing of this product if you are one of the following retail customer types:

(1) An elderly customer aged 65 or above, unless you are not a first-time buyer of currency-linked structured investment products AND your asset concentration[5] is below 20% AND you opt out from the PICOP arrangement; or

(2) A non-elderly customer who is a first time buyer of currency-linked structured investment

[5] For the purpose of determining whether PICOP is applicable, asset concentration refers to the percentage of total net worth (excluding real estate properties) to be invested in this product.

products AND your asset concentration is 20% or above.

Can the [Issuer/Bank] adjust the terms or early terminate this product?

[*Insert description of key events that may trigger adjustment to, or early termination of, this product, such as imposition of exchange controls, events of default, or other events*]

[Such adjustments or early termination events may negatively affect your return or loss under this product.]

Offering documents for this product

[The following documents for this product ("**Offering Documents**") contain detailed information about the [Issuer/Bank] and the terms of this product. You should read and understand all of the Offering Documents before deciding whether to invest in this product:

[Insert the disclosure documents for this product]]

Additional information

[*Insert any other additional important information*]

[***Guidance notes for completing this statement:***

- The Important Facts Statement (IFS) can be a standalone document. It can also be part of the product brochure / marketing materials.
- There is a very broad spectrum of currency-linked instruments. Depending on the actual circumstances of the product, the contents in this statement may differ. The actual IFS for each product must be specific enough to bring out the key features, risks and investment objective of that product in a clear and concise manner. Nevertheless, the headings set out in the template are generally expected to be observed unless there are good reasons to do otherwise. Words inside the square brackets in the template are drafting notes. They should be construed as examples rather than suggestions, and are not meant to be exclusive or prescriptive. Issuers/Banks are responsible for what is, and what is not, to be included in this statement.
- Issuers/Banks may state the headlines in the IFS with cross reference to the main text of the offering documents if a detailed explanation in the IFS will make it too lengthy.
- This statement should be visually reader-friendly, written in plain language so that investors can easily read and understand it. Use of technical jargon or complex sentences shall be avoided. Information should be presented in a font that is easy to read and highly legible. The font size adopted should also be reasonably legible taking into account the language used.
- Use of examples (e.g. under scenario analysis), graphs and charts is generally encouraged to illustrate the product structure and features.]

重要資料

[*發行人／銀行名稱及標誌*] **[*產品名稱及類別*]**
[發行人／銀行][1]
[*日期*]

此乃結構性投資產品[2]，不受香港的存款保障計劃所保障。

[本產品並不保本。][3]

本概要的內容未經香港任何監管機構審閱。閣下在投資本產品前應審慎行事。**本概要爲本產品銷售文件的一部分。閣下不應單憑本概要投資於本產品。**閣下如有任何疑問，應徵詢獨立專業意見。

倘若中文並非閣下屬意的語言，閣下可向本行的[銷售人員]索取本概要的英文版本。If Chinese is not your preferred language, you may request for the English version of this statement from our [sales staff].

此乃涉及衍生工具的結構性投資產品。投資決定是由閣下自行作出的，但閣下不應投資於本產品，除非中介人於銷售本產品時已向閣下解釋經考慮閣下的財政狀況、投資經驗及目標後，本產品是適合閣下的。

資料便覽

[發行人／銀行]:	[*名稱*]，[*加入分行*]
產品類別:	**貨幣掛鈎**[*工具類別，例如存款*]
最低[存款／投資]額:	[港元][●] (或其等值)
[存款／投資]期:	[●] – [●]
[可供選擇的]本金貨幣:	[●]
[可供選擇的]掛鈎貨幣:	[●]
[票息:	年息[●]%（實際票息率: [●]）]
[票息期／付款日:	[●]]
到期時本金保障:	[是／否]
可由[發行人／銀行] 提早贖回:	[可／不可] [*如可，最早提早贖回日期*]
客戶提早終止權利:	[有／沒有] [*如有，在甚麼情況下*]
內含衍生工具 ：	[有／沒有] [*如有，內含衍生工具類別（如客戶出售掛鈎貨幣的認沽期權）*]
最高潛在收益:	[存款／投資額]的[●]%
最大潛在虧損:	[存款／投資額]的[●]%

本產品是甚麼產品及如何運作?

[*簡述產品性質（例如本產品屬包含（以本金貨幣作出的）定期存款及出售閣下所選擇掛鈎貨幣的認沽期權的結構性投資產品）及如何運作，特別是投資者會獲得收益／招致虧損的情況（參照下文所述的情況分析）*]

本產品有哪些主要風險?

[1] [*如屬存款將使用「銀行」*]
[2] 就證券及期貨事務監察委員會(證監會)的《非上市結構性投資產品守則》而言，貨幣掛鈎工具並非“結構性投資產品”，該《非上市結構性投資產品守則》亦不適用於貨幣掛鈎工具。
[3] [*適用於非保本產品*]

[*描述產品的主要風險。以下爲至少應涵蓋的風險（如適用）：*

- **並非定期存款** – [*產品名稱*] 並不等同，亦不應被視爲定期存款的代替品。本產品**並非**受保障存款，不受香港的存款保障計劃所保障。
- **衍生工具風險** – [*請提供適當詳情，例如：*[*產品名稱*]*內含外匯期權。期權交易涉及風險，特別是出售期權。雖然出售期權所收取的期權金爲固定，閣下仍可能蒙受超過該期權金的損失，且閣下可能有重大損失。*]
- **潛在收益有限** – 最高潛在收益爲[●]。
- **[最大潛在虧損 – [*產品名稱*]並非保本產品：閣下可能會損失閣下的全部[存款／投資]金額。**[*或說明最壞的情況*]][3]
- **[僅於到期時屬保本** – 保本特點僅於持有本產品至到期時方適用。[*請解釋非保本的情況，例如本產品被提早終止*]][4]
- **有別於買入掛鈎貨幣** – 投資於[*產品名稱*]有別於直接買入掛鈎貨幣。[*適用時請提供詳情*]
- **市場風險** – [*請提供適當詳情，例如*[*產品名稱*]*的回報與本金貨幣兌掛鈎貨幣的匯率掛鈎。匯率的變動可能出乎預料、突如其來而且幅度龐大，並受複雜的政治及經濟因素影響。*]
- **流通性風險** – [*產品名稱*]乃爲持有至到期而設。[[發行人／銀行]可能會按其絕對酌情權拒絕同意於到期前提出的任何撤回要求／閣下無權在到期前要求提早終止本產品。]
- **[發行人／銀行]的信貸風險** – [[*產品名稱*]並無以任何抵押品作抵押。]當閣下購買本產品，閣下將承擔[發行人／銀行]的信貸風險。如[發行人／銀行]無力償債或未能履行其於本產品下的責任，[閣下只可以[發行人／銀行]的無抵押債權人身份提出申索。]在最壞情況下，閣下可能損失閣下的全部[存款／投資]金額。
- **貨幣風險** – [*請提供適當詳情，例如：倘本金貨幣及／或掛鈎貨幣並非閣下的本土貨幣, 而閣下於到期後選擇將其兌換成閣下的本土貨幣, 則閣下可能因匯率波動而獲得收益或招致虧損。*]
- [*請註明有否任何有關提早終止的風險：* [*例如：* **[發行人／銀行]提早終止的風險** – [發行人／銀行]有權（但無責任）在發生若干事件時終止本產品。如銀行提早終止本產品，閣下可能會就本產品蒙受重大損失。[參閱下文「[發行人／銀行]可否調整條款或提早終止本產品?」]]]
- [*請註明與屬於受限制貨幣的本金／掛鈎貨幣有關的任何風險。特別是，如本金／掛鈎貨幣爲人民幣，請根據金管局於 2010 年 9 月 16 日的通告註明任何人民幣相關風險：* [*例如：* **有關人民幣的風險 -** 謹請閣下注意，人民幣兌其他外幣的價值會有波動，並將受（其中包括）中華人民共和國政府的管制（例如，中華人民共和國政府規管人民幣與外幣之間的兌換）所影響，而有關管制可能會在閣下將人民幣兌換爲閣下的本土貨幣時對閣下於本產品的回報有不利影響。人民幣現時並非可自由兌換貨幣，而在香港兌換人民幣須受若干限制所規限。尤其是個人客戶兌換人民幣時須受限於每日上限。如閣下擬將超過每日上限的人民幣金額兌換成另一種貨幣，或自另一種貨幣兌換成超過每日上限的人民幣金額，須給予足夠時間以進行有關兌換。]]]

本產品有哪些主要特點?

[*描述產品的特點（例如贖回機制、內含期權、期限範圍、貨幣選擇、是否容許提早終止（描述如何運作））、利息／票息（如何及何時釐定，以及獲取的條件）*]

情況分析

[*應涵蓋違約情況、最壞情況、中間／獲利情況及最佳情況（就潛在回報有上限的產品而言）。***[註：如產品的潛在回報無上限，應涵蓋獲利情況（而非最佳情況）]** *建議使用說明例子以說明情況*]

情況[x]: 最佳情況
[*加入說明*]

情況[x]: 中間情況／獲利情況
[*加入說明*]

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[4] [*適用於保本產品*]

情況[x]: 最壞情況
[加入說明]

情況[x]: [發行人／銀行]無力償債或未能履行其責任

假設[發行人／銀行]於本產品[存款／投資]期內無力償債或未能履行其於本產品下的責任，閣下只可以其無抵押債權人身份提出申索。閣下可能會一無所獲，並損失閣下的全部[存款／投資]金額。

閣下可如何買入本產品?

- [閣下可親臨本行任何分行、透過網上銀行或致電本行[*加入電話號碼*]購買本產品。]
- [選擇本金貨幣、掛鈎貨幣及[存款／投資]期。然後我們會就利率及兌換率作出報價，而有關利率及兌換率在閣下作出投資本產品指示時釐定。]

費用及收費

[*本節僅於具有與本產品有關的明確費用及收費時適用*]

閣下可否於到期前要求提早終止?

[*本節僅於容許客戶提早終止時適用 - 描述投資者可取得參考終止價格的方法及次數，以及有關提早終止的安排。應清楚訂明發行人／銀行所報的參考價格並無約束力，且未必反映最終的終止價格*]

[[發行人／銀行]提供的最終的終止價格或會遠低於閣下的[存款／投資]金額。]

零售客戶的落單冷靜期

如閣下屬以下任何一類的零售客戶，則落單冷靜期（「**冷靜期**」）適用於本產品的每項交易：

(1) 65 歲或以上的長者客戶，除非閣下並非首次購買貨幣掛鈎結構性投資產品**及**閣下的資產集中程度[5]低於 20%**及**閣下選擇不需要冷靜期安排；或

(2) 首次購買貨幣掛鈎結構性投資產品的非長者客戶**及**閣下的資產集中程度達 20%或以上。

[發行人／銀行]可否調整條款或提早終止本產品?

[*加入可能會觸發對本產品作出調整或提早終止本產品的主要事件（如實施外匯管制、違約事件或其他事件）的描述*]

[有關調整或提早終止事件可能會對閣下於本產品的回報或虧損有負面影響。]

本產品的銷售文件

[以下有關本產品的文件（「**銷售文件**」）載有關於[發行人／銀行]以及本產品條款的詳細資料。閣下在決定是否投資本產品前，應閱讀及了解所有銷售文件：

[*加入本產品的披露文件*]]

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[5] 就釐定冷靜期是否適用時，資產集中程度指客戶將投資於本產品的款額佔其總資產淨值（不包括房地產）的百分比。

其他資料

[*加入其他重要資料*]

[*本概要的擬備指引：*

- 《重要資料概要》可以是獨立文件，亦可以是產品手冊／推廣資料的一部分。

- 貨幣掛鈎工具形式廣泛。本概要的內容可能會視乎產品的實際情況而有所不同。每項產品的實際《重要資料概要》應具體及清楚簡潔地指出該產品的主要特點、風險及投資目標。然而，一般應按照這份範本的標題擬備，除非有充分理由採用其他做法，始屬例外。在這份範本內，方括號內的文字屬擬備本概要時須注意的事項，應理解爲說明例子而非建議字句。這些注意事項並非旨在限定本概要僅可載有的內容，亦非旨在對有關內容作出硬性規定。發行人／銀行應自行決定本概要應載入及無須載入哪些內容並就此承擔責任。

- 若在《重要資料概要》上作出詳細說明會使其冗長，發行人／銀行可列明內容提要並加上銷售文件中正文的互相參照。

- 本概要應以清楚易讀的方式，利用淺白的文字披露各類資料，方便投資者查閱和理解。同時應避免技術用語及複雜的句式。資料應以清楚易讀及非常清晰的字體呈列。本概要須因應所用語言而使用合理清晰的字體大小。

- 建議使用說明例子（例如情況分析）、圖形及圖表以說明產品結構及特點。]

Important Facts

[*Issuer/Bank's name & logo*]
[Issuer/Bank][1]

[*Product name & type*]
[*Date*]

This is a structured investment product[2] which is NOT protected by the Deposit Protection Scheme in Hong Kong.

[This product is NOT principal protected.][3]

The contents of this statement have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution before investing in this product. **This statement is a part of the offering documents for this product. You should not invest in this product based on this statement alone.** If you are in any doubt, you should obtain independent professional advice.

If English is not your preferred language, you may request for the Chinese version of this statement from our [sales staff]. 倘若英文並非閣下屬意的語言，閣下可向本行的**[**銷售人員**]**索取本概要的中文版本。

This is a structured investment product involving derivatives. The investment decision is yours but you should not invest in this product unless the intermediary who sells it to you has explained to you that the product is suitable for you having regard to your financial situation, investment experience and investment objectives.

Quick facts

[Issuer/Bank]:	[*Name*], [*insert branch*]
Product type:	**Interest rate-linked** [*instrument type, e.g. deposit*]
Minimum [deposit/ investment]:	[HKD][●] (or its equivalent)
Tenor:	[●] – [●]
[Available] [[D/d]eposit/[I/i]nvestment]] currency:	[●]
[Coupon rate:	[●]% per annum (Actual coupon rate: [●])]
[Coupon period/ payment date:	[●]]
Principal protection at maturity:	[Yes/No]
Callable by the [Issuer/ Bank]:	[Yes/No] [*If yes, when earliest*]
Early termination right by the customer:	[Yes/No] [*If yes, under what situations*]
Embedded derivatives:	[Yes/No] [*If yes, insert the type of embedded derivatives e.g. customer selling an interest rate option*]
Maximum potential gain:	[●]% [of deposit/investment amount]
Maximum potential loss:	[●]% [of deposit/investment amount]

What is this product and how does it work?

[*Briefly describe the nature of the product (e.g. This is a structured investment product that consists of a time deposit (in the deposit currency) and selling an interest rate option) and how it works, in particular the situations under which investors will make gains/incur losses (with reference to the scenario analysis below)*]

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[1] [*'Bank' to be used for deposits*]
[2] Interest rate-linked instruments are not "structured investment products" for the purposes of the Code of Unlisted Structured Investment Products (SIP Code) of the Securities and Futures Commission (SFC) and the SIP Code does not apply to interest rate-linked instruments.
[3] *[Applicable if the product is non-principal protected]*

What are the key risks?

[*Describe the key risks of the product. The following should be covered as a minimum if applicable:*

- **Not a time deposit** – [*Product name*] is NOT equivalent to, nor should it be treated as a substitute for, time deposit. It is NOT a protected deposit and is NOT protected by the Deposit Protection Scheme in Hong Kong.

- **Derivatives risk** – [*Please elaborate as appropriate, e.g. [Product name] is embedded with interest rate option(s). Option transactions involve risks, especially when selling an option. Although the premium received from selling an option is fixed, you may sustain a loss well in excess of such premium amount, and your loss could be substantial.*]

- **Limited potential gain** – The maximum potential gain is limited to [●].

- **[Maximum potential loss** – **[*Product name*] is not principal protected: you could lose all of your [deposit/investment] amount.** [*Otherwise please explain the worst case scenario*]**]**[3]

- **[Principal protection at maturity only** – The principal protection feature is only applicable if this product is held to maturity. [*Please explain the circumstances whereby there is no principal protection, e.g. if this product is early terminated*]**]**[4]

- **Market risk** – [*Please elaborate as appropriate, e.g. The return of [product name] is linked to the interest rate movements which can be unexpected, sudden and drastic. Movements in interest rates can be affected by complex political and economic factors.*]

- **Liquidity risk** – [*Product name*] is designed to be held till maturity. [The [Issuer/Bank] may at its absolute discretion refuse to consent to any withdrawal request before maturity / You do not have a right to request early termination of this product before maturity.]

- **Credit risk of the [Issuer/Bank]** – [[*Product name*] is not secured by any collateral.] When you invest in this product, you will be relying on the [Issuer/ Bank]'s creditworthiness. If the [Issuer/Bank] becomes insolvent or defaults on its obligations under this product, [you can only claim as an unsecured creditor of the [Issuer/Bank].] In the worst case, you could suffer a total loss of your [deposit/investment] amount.

- **Currency risk** – [*Please elaborate as appropriate, e.g. If the [deposit/investment] is not in your home currency, and you choose to convert it back to your home currency upon maturity, you may make a gain or loss due to exchange rate fluctuations.*]

- [*Please specify any risk for early termination:* [*For example*: **Risks of early termination by the [Issuer/ Bank]** – the [Issuer/Bank] has the right (but not the obligation) to terminate this product early upon occurrence of certain events. If this product is terminated by the Bank early, you may suffer a substantial loss under this product. [See "Can the [Issuer/ Bank] adjust the terms or early terminate this product?" below]]]

- [*Please specify any risks in relation to deposit/ investment currency which is restricted currency. In particular, if the deposit/ investment currency is RMB, please specify any RMB-related risks in accordance with the HKMA circular dated 16 September 2010:* [*For example:* **Risks relating to RMB** - You should note that the value of RMB against other foreign currencies fluctuates and will be affected by, amongst other things, the PRC government's control (for example, the PRC government regulates conversion between RMB and foreign currencies), which may adversely affect your return under this product when you convert RMB into your home currency. RMB is currently not freely convertible and conversion of RMB in Hong Kong is subject to certain restrictions. In particular, the conversion of RMB by an individual customer is subject to a daily limit. If you intend to convert an amount of RMB from/to another currency exceeding such daily limit, you should allow sufficient period for the conversion.]]]

What are the key features?

[4] [*Applicable if the product is principal protected*]

[*Describe the features of the product (e.g. call feature, embedded options, tenor range, currency choice, whether early termination is allowed (describe how this works)), interest/ coupons (how and when it will be determined and the conditions for this to be achieved)*]

Scenario analysis

[*A default scenario, worst case scenario, middle-of-the road/ gain scenario and best case scenario (for a product with a capped potential return)* ***[Note: Only a gain scenario (rather than the best case scenario) can be shown if the potential return of the product is unlimited]*** *should be covered. Use of example to illustrate the scenarios is encouraged*]

Scenario [x]: Best case scenario
[insert illustration]

Scenario [x]: Middle-of-the-road/ gain scenario
[insert illustration]

Scenario [x]: Worst case scenario
[insert illustration]

Scenario [x]: The [Issuer/ Bank] becomes insolvent or defaults on its obligations

Assuming that the [Issuer/Bank] becomes insolvent during the tenor of this product or defaults on its obligations under this product, you can only claim as its unsecured creditor. You may get nothing back and suffer a total loss of your [deposit/investment] amount.

How can you buy this product?

- [You can purchase this product by visiting any of our branches, internet banking, or by calling us on [*insert phone no*].]
- [Choose the [deposit/investment] currency and the tenor. We will then quote the interest rate which is fixed when you place an order for this product.]

Fees and charges

[*This section is only applicable if there are explicit fees and charges associated with this product*]

Can you request for early termination before maturity?

[*This section is only applicable if early termination by customer is allowed - describe the frequency and how the investor can obtain the indicative termination price and the arrangement on early termination. It should be stated clearly that the indicative price quoted by the Issuer/Bank is not binding and may not reflect the final termination price*]

[The final termination price offered by the [Issuer/Bank] may be substantially less than your [deposit/investment] amount.]

Pre-Investment Cooling-off Period for retail customers

Pre-Investment Cooling-off Period (**PICOP**) is applicable to each particular dealing of this product if you are one of the following retail customer types:

(1) An elderly customer aged 65 or above unless you are not a first-time buyer of interest rate-linked structured investment products AND your asset concentration[5] is below 20% AND you opt out from the PICOP arrangement; or

(2) A non-elderly customer who is a first time buyer of interest rate-linked structured investment products AND your asset concentration is 20% or above.

Can the [Issuer/Bank] adjust the terms or early terminate this product?

[*Insert description of key events that may trigger adjustment to, or early termination of, this product, such as imposition of exchange controls, events of default, or other events*]

[Such adjustments or early termination events may negatively affect your return or loss under this product.]

Offering documents for this product

[The following documents for this product ("**Offering Documents**") contain detailed information about the [Issuer/Bank] and the terms of this product. You should read and understand all of the Offering Documents before deciding whether to invest in this product:

[Insert the disclosure documents for this product]]

Additional information

[*Insert any other additional important information*]

[***Guidance notes for completing this statement:***

- The Important Facts Statement (IFS) can be a standalone document. It can also be part of the product brochure / marketing materials.

- There is a very broad spectrum of interest rate-linked instruments. Depending on the actual circumstances of the product, the contents in this statement may differ. The actual IFS for each product must be specific enough to bring out the key features, risks and investment objective of that product in a clear and concise manner. Nevertheless, the headings set out in the template are generally expected to be observed unless there are good reasons to do otherwise. Words inside the square brackets in the template are drafting notes. They should be construed as examples rather than suggestions, and are not meant to be exclusive or prescriptive. Issuers/Banks are responsible for what is, and what is not, to be included in this statement.

- Issuers/Banks may state the headlines in the IFS with cross reference to the main text of the offering documents if a detailed explanation in the IFS will make it too lengthy.

- This statement should be visually reader-friendly, written in plain language so that investors can easily read and understand it. Use of technical jargon or complex sentences shall be avoided. Information should be presented in a font that is easy to read and highly legible. The font size adopted should also be reasonably legible taking into account the language used.

- Use of examples (e.g. under scenario analysis), graphs and charts is generally encouraged to illustrate the product structure and features.]

[5] *For the purpose of determining whether PICOP is applicable, asset concentration refers to the percentage of total net worth (excluding real estate properties) to be invested in this product.*

重要資料

[*發行人／銀行名稱及標誌*]
[發行人／銀行][1]

[*產品名稱及類別*]
[*日期*]

此乃結構性投資產品[2] ***，不受香港的存款保障計劃所保障。***

[本產品並不保本。][3]

本概要的內容未經香港任何監管機構審閱。閣下在投資本產品前應審慎行事。**本概要爲本產品銷售文件的一部分。閣下不應單憑本概要投資於本產品。**閣下如有任何疑問，應徵詢獨立專業意見。

倘若中文並非閣下屬意的語言，閣下可向本行的 [銷售人員] 索取本概要的英文版本。If Chinese is not your preferred language, you may request for the English version of this statement from our [sales staff].

此乃涉及衍生工具的結構性投資產品。投資決定是由閣下自行作出的，但閣下不應投資於本產品，除非中介人於銷售本產品時已向閣下解釋經考慮閣下的財政狀況、投資經驗及目標後，本產品是適合閣下的。

資料便覽

[發行人／銀行]:	[*名稱*]，[*加入分行*]
產品類別:	**利率掛鈎**[*工具類別，例如存款*]
最低[存款／投資]額:	[港元][●] (或其等值)
[存款／投資]期:	[●] – [●]
[可供選擇的] [存款／投資]貨幣:	[●]
[票息:	年息[●]%（實際票息率: [●]）]
[票息期／付款日:	[●]]
到期時本金保障:	[是／否]
可由[發行人／銀行]提早贖回:	[可／不可] [*如可，最早提早贖回日期*]
客戶提早終止權利:	[有／沒有] [*如有，在甚麼情況下*]
內含衍生工具:	[有／沒有] [*如有，內含衍生工具類別（如客戶出售利率期權）*]
最高潛在收益:	[存款／投資額]的[●]%
最大潛在虧損:	[存款／投資額]的[●]%

本產品是甚麼產品及如何運作?

[*簡述產品性質（例如本產品屬包含（以存款貨幣作出的）定期存款及出售利率期權的結構性投資產品）及如何運作，特別是投資者會獲得收益／招致虧損的情況（參照下文所述的情況分析）*]

本產品有哪些主要風險?

[*描述產品的主要風險。以下爲至少應涵蓋的風險（如適用）*：

- **並非定期存款 –** [*產品名稱*] **並不等同**，亦不應被視爲定期存款的代替品。本產品**並非**受保障存款，

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[1] [*如屬存款將使用「銀行」*]

[2] 就證券及期貨事務監察委員會(證監會)的《非上市結構性投資產品守則》而言，利率掛鈎工具並非“結構性投資產品”，該《非上市結構性投資產品守則》亦不適用於利率掛鈎工具。

[3] [*適用於非保本產品*]

不受香港的存款保障計劃所保障。

- 衍生工具風險 – [*請提供適當詳情，例如：[產品名稱]內含利率期權。期權交易涉及風險，特別是出售期權。雖然出售期權所收取的期權金為固定，閣下仍可能蒙受超過該期權金的損失，且閣下可能有重大損失。*]

- 潛在收益有限 – 最高潛在收益為[●]。

- **[最大潛在虧損 – [*產品名稱*]並非保本產品：閣下可能會損失閣下的全部[存款／投資]金額。**[*或說明最壞的情況*]][3]

- **[僅於到期時屬保本** – 保本特點僅於持有本產品至到期時方適用。[*請解釋非保本的情況，例如本產品被提早終止*]][4]

- 市場風險 – [*請提供適當詳情，例如[產品名稱]的回報與利率的變動掛鈎。利率的變動可能出乎預料、突如其來而且幅度龐大，並受複雜的政治及經濟因素影響。*]

- 流通性風險 – [*產品名稱*]乃為持有至到期而設。[[發行人／銀行]可能會按其絕對酌情權拒絕同意於到期前提出的任何撤回要求／閣下無權在到期前要求提早終止本產品。]

- **[發行人／銀行]的信貸風險–** [[*產品名稱*]並無以任何抵押品作抵押。] 當閣下購買本產品，閣下將承擔[發行人／銀行]的信貸風險。如[發行人／銀行]無力償債或未能履行其於本產品下的責任，[閣下只可以[發行人／銀行]的無抵押債權人身份提出申索。]在最壞情況下，閣下可能損失閣下的全部[存款／投資]金額。

- 貨幣風險 – [*請提供適當詳情，例如：倘本[存款／投資]貨幣 並非閣下的本土貨幣, 而閣下於到期後選擇將其兌換成閣下的本土貨幣, 則閣下可能因匯率波動而獲得收益或招致虧損。*]

- [*請註明有否任何有關提早終止的風險：* [*例如：* **[發行人／銀行]提早終止的風險** – [發行人／銀行]有權（但無責任）在發生若干事件時終止本產品。如銀行提早終止本產品，閣下可能會就本產品蒙受重大損失。[參閱下文「[發行人／銀行]可否調整條款或提早終止本產品?」]]]

- [*請註明與屬於受限制貨幣的存款／投資貨幣有關的任何風險。特別是，如存款／投資貨幣為人民幣，請根據金管局於 2010 年 9 月 16 日的通告註明任何人民幣相關風險：* [*例如：***有關人民幣的風險 -** 謹請閣下注意，人民幣兌其他外幣的價值會有波動，並將受（其中包括）中華人民共和國政府的管制（例如，中華人民共和國政府規管人民幣與外幣之間的兌換）所影響，而有關管制可能會在閣下將人民幣兌換為閣下的本土貨幣時對閣下於本產品的回報有不利影響。人民幣現時並非可自由兌換貨幣，而在香港兌換人民幣須受若干限制所規限。尤其是個人客戶兌換人民幣時須受限於每日上限。如閣下擬將超過每日上限的人民幣金額兌換成另一種貨幣，或自另一種貨幣兌換成超過每日上限的人民幣金額，須給予足夠時間以進行有關兌換。]]]

本產品有哪些主要特點?

[*描述產品的特點（例如贖回機制、內含期權、期限範圍、貨幣選擇、是否容許提早終止（描述如何運作））、利息／票息（如何及何時釐定，以及獲取的條件）*]

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[4] [*適用於保本產品*]

情況分析

[*應涵蓋違約情況、最壞情況、中間／獲利情況及最佳情況（就潛在回報有上限的產品而言）。***[註：如產品的潛在回報無上限，應涵蓋獲利情況（而非最佳情況）]** *建議使用說明例子以說明情況*]

情況[x]: 最佳情況
[*加入說明*]

情況[x]: 中間情況／獲利情況
[*加入說明*]

情況[x]: 最壞情況
[*加入說明*]

情況[x]: [發行人／銀行]無力償債或未能履行其責任

假設[發行人／銀行]於本產品[存款／投資]期內無力償債或未能履行其於本產品下的責任，閣下只可以其無抵押債權人身份提出申索。閣下可能會一無所獲，並損失閣下的全部[存款／投資]金額。

閣下可如何買入本產品?

- [閣下可親臨本行任何分行、透過網上銀行或致電本行[*加入電話號碼*]購買本產品 。]
- [選擇[存款／投資]貨幣及[存款／投資]期。然後我們會就利率作出報價，而有關利率在閣下作出投資本產品指示時釐定。]

費用及收費

[*本節僅於具有與本產品有關的明確費用及收費時適用*]

閣下可否於到期前要求提早終止?

[*本節僅於容許客戶提早終止時適用 - 描述投資者可取得參考終止價格的方法及次數，以及有關提早終止的安排。應清楚訂明發行人／銀行所報的參考價格並無約束力，且未必反映最終的終止價格*]

[[發行人／銀行]提供的最終的終止價格或會遠低於閣下的[存款／投資]金額。]

零售客戶的落單冷靜期

如閣下屬以下任何一類的零售客戶，則落單冷靜期（「**冷靜期**」）適用於本產品的每項交易：

(1) 65 歲或以上的長者客戶，除非閣下並非首次購買利率掛鈎結構性投資產品及閣下的資產集中程度[5]低於 20%及閣下選擇不需要冷靜期安排；或

(2) 首次購買利率掛鈎結構性投資產品的非長者客戶及閣下的資產集中程度達 20%或以上。

[發行人／銀行]可否調整條款或提早終止本產品?

[*加入可能會觸發對本產品作出調整或提早終止本產品的主要事件（如實施外匯管制、違約事件或其他*

[5]就釐定冷靜期是否適用時，資產集中程度指客戶將投資於本產品的款額佔其總資產淨值（不包括房地產）的百分比。

事件）的描述]

[有關調整或提早終止事件可能會對閣下於本產品的回報或虧損有負面影響。]

本產品的銷售文件

[以下有關本產品的文件（「**銷售文件**」）載有關於[發行人／銀行]以及本產品條款的詳細資料。閣下在決定是否投資本產品前，應閱讀及了解所有銷售文件：

[*加入本產品的披露文件*]]

其他資料

[*加入其他重要資料*]

[***<u>本概要的擬備指引：</u>***

- 《重要資料概要》可以是獨立文件， 亦可以是產品手冊／推廣資料的一部分。

- 利率掛鈎工具形式廣泛。本概要的內容可能會視乎產品的實際情況而有所不同。每項產品的實際《重要資料概要》應具體及清楚簡潔地指出該產品的主要特點、風險及投資目標。然而，一般應按照這份範本的標題擬備，除非有充分理由採用其他做法，始屬例外。在這份範本內，方括號內的文字屬擬備本概要時須注意的事項，應理解爲說明例子而非建議字句。這些注意事項並非旨在限定本概要僅可載有的內容，亦非旨在對有關內容作出硬性規定。發行人／銀行應自行決定本概要應載入及無須載入哪些內容並就此承擔責任。

- 若在《重要資料概要》上作出詳細說明會使其冗長，發行人／銀行可列明內容提要並加上銷售文件中正文的互相參照。

- 本概要應以清楚易讀的方式，利用淺白的文字披露各類資料，方便投資者查閱和理解。同時應避免技術用語及複雜的句式。資料應以清楚易讀及非常清晰的字體呈列。本概要須因應所用語言而使用合理清晰的字體大小。

- 建議使用說明例子（例如情況分析）、圖形及圖表以說明產品結構及特點。]